

**Maine Department of Agriculture.
Agriculture Development Grant
Grant Report**



GRANTEE: Tide Mill Organics

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Project Summary:

Tide Mill Organics was the recipient of a \$50,000 Agriculture Development grant in February 2015.

The funds were used towards the completion of our processing facility. Expenses included materials and labor for the construction of the building. Plumbing, electrical and heating systems were installed. Equipment, including an automated scalding and plucker, eviscerating line, walk in cooler and freezer, stainless steel tables, packaging machine, shelving, meat totes, shelving and a scale were purchased and installed.

Along with this grant, we were able to leverage over \$200,000 of additional grants and a \$200,000 loan to help cover the costs of this project. The state of Maine's support of this project was a testimonial for the importance of local food production, processing and marketing for the enrichment of agriculture in Washington County.

Goals & Outcomes:

Our goals were to expand our markets by offering fresh chicken year round, expanding our products into southern Maine and beyond. With new markets and increasing sales to our existing markets, we set a goal of increasing production to 20,000 birds and creating relationships with other farmers who could help us meet increasing production demands. The processing was the bottleneck of our ability to increase production and reach new markets and now that is not true.

We have processed chickens every week of the year since we moved into our facility last April! That is a major accomplishment. We have been able to service our customers, year round, allowing fresh, Maine organic chicken to be an option for people to buy every week this year. The fresh chicken is a driver of sales and creates weekly revenue and a delivery routine and route that has led to an enormous increase in sales. The other exciting thing that processing year round has allowed us to do is to keep our employees employed year round, in a safe, comfortable facility. With our concrete floors and everything under one roof, we are able to make use of carts with wheels and ease the strain of all the heavy lifting in the job.

One of our other goals was to improve processing efficiency, so we could process more birds, better meet price points our customers need and to operate profitably. Without even using all of our equipment, we are already processing twice as many birds as we were able to do before in less time. We expect to see our efficiency improve as we get all our equipment fully functional and our

new systems finalized. We hope to work with a consultant on lean manufacturing to help our systems become more efficient and streamlined.

We were lucky to be able to continue processing birds in our other facility while we were constructing our new one. That allowed us to continue to have our product on the shelves in our existing accounts and maintain cash flow.

Lessons Learned:

Building a new building is an enormous undertaking and there have been so many things that have come up along the way that we were not expecting. It has been incredibly difficult and has taken longer and been more expensive than we had thought.

We put so much energy into researching our options and it was so frustrating to still have a lack of an industry here to be able to offer help and support to figure out what we need. For instance, our flooring. We were trying to figure out what kind of flooring and everyone has a different opinion. We researched our options well and decided to go with a three part epoxy finish over our concrete. Our goal was to have a cleanable, non slippery surface. Well, it seemed good at first, but not long after use, some areas started peeling away. Since then, many more areas are peeling and they are growing. I feel we are worse off than what we started on that front. We have been chipping up what will come up and need to figure out why it happened in the first place and how to fix it or what type of flooring will work, which seems like we are back to square one.

Another challenge has been to figure out how to chill our birds. Trying to obtain as much ice as we need is extremely hard. We were lugging 20 lb bags from every local store! With our new walk in fridge and freezer, we can chill them using cold, blowing air. We are still trying to work out the details about what system will work; but it seems very promising. We are able to bring the birds temperatures down below 40 degrees within 4 to 6 hours and the regulations give us 16 hours. Air chilling also gives us the benefit of a dryer bird without needing to do water retention tests and a longer shelf life with lower bacteria loads.

Our other major challenge has been our HACCP plan. Luckily there are no problems with our facility, but the process has been slow and frustrating. There is a lot to it in terms of the steps and processes you have to perform. We are immersed in that right now and wish there was more support for things like realistic and achievable SOP's, bacterial testing and training employees.

Overall Finding Summary:

We are grateful to be recipients of this grant and see it as an honor to serve and improve food systems in our region of Maine.

Thanks to this grant we were able to finish our poultry processing facility allowing us to process chickens year round and continue to value add our poultry. That processing capability drove production and provided secure, consistent and increased employment to

our area. It allowed us to reach new markets and increase sales to existing markets. In comparing the chicken sales from January to March 2015 (\$21, 715) with that from 2016 (\$77, 770), we saw a 258% increase! And more than \$56,000 more in sales! I know we can do better as we perfect systems that are still very new, finalize our SOP's and HACCP plan and secure new markets.

We are seeing the production of chicken increase as there is a local option. We are looking to create enough market to encourage our neighbors to raise organic chickens and be able to buy them from them at profitable prices. We are proud that you can go into 30 to 40 places in Maine and find our fresh, organic poultry grown and processed in Washington County.

But there are a lot of details to still get in place. I am hoping the state of Maine can offer more poultry production support.